

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

WILLARD L. SLOAN, EUGENE J.
WINNINGHAM, and JAMES L. KELLEY,
on behalf of themselves and a similarly
situated class,

Plaintiffs,

Case No. 09-cv-10918
Hon. Paul D. Borman
Magistrate Mona K. Majzoub

v.

Class Action

BORGWARNER, INC., BORGWARNER
FLEXIBLE BENEFITS PLANS and
BORGWARNER DIVERSIFIED
TRANSMISSION PRODUCTS, INC.,

Defendants.

EXHIBIT 26

TO

**PLAINTIFFS' MOTION
FOR SUMMARY JUDGMENT
AS TO LIABILITY**

Borg Warner
Automotive
Inc.Borg Warner
SystemsBorg Warner
Kilgore
AvenueBorg Warner
Indian
47364Borg Warner
Automotive
Inc.
31121st St.
Tel: 317
27491
Fax

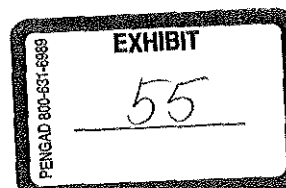
RECEIVED

FEB 15 1989

Group Insurance Dept.

**BorgWarner
Automotive**ATTENTION: George TURCZYNOWSKYDATE: 2/14/89FROM: R. A. Nuerge BWA-TS

TIME SENT: _____

FACSIMILE NUMBER: 312-322-8509SUBJECT: Retiree ben. form that shows
Retiree Life after age 65 - Hourly
--- ALSO HRLY + SAL. HLTH PLAN COMP.NUMBER OF PAGES SENT (including cover sheet): 4If you have difficulty receiving this telecopy, please
call (317) 286-6547.

DTP004372

2014/12 Pg 3 of 5 PgID 3739
You will be sent a Statement of Earnings form each year to be completed and returned to Warner Gear with your taxes. If you exceed the earnings limit, you will have to pay a penalty of \$2 for each \$1 you exceed the limit. However, if you do have outside earnings and know you will exceed the earnings limit, you can have your Supplement stopped at any time prior to exceeding the limit and have it restored the first of the coming year. The requests must be in writing 30 day prior to the cancellation and reinstatement.

The above information regarding the earnings limit was explained to you at the time of your retirement and sample copies of the forms are given to you.

PENSION INFORMATION

(Refer to Booklet for Details)

ADDRESS CHANGES

After retirement, keep the pension and insurance department advised at all times of any change of address. If you want your address changed with the Trust Company at Chicago, please advise us first so our records will be up-to-date.

PAYMENTS TO BANK

If you want your pension sent directly to your bank, we have forms that you must have completed at your bank and returned to the pension department.

TAXES (FEDERAL INCOME TAXES ONLY)

You can have taxes deducted from your pension by filing a W-4P Federal Income Tax Withholding form at the pension department. If you do not have taxes deducted from your pension, you must file quarterly. This is a voluntary request and is not based upon exemptions as you had when you were working. You set the amount. You can increase or decrease your tax deduction at any time by coming to the pension department and make out new tax forms requesting the change. This does not generally apply to Total and Permanent Disability Retirement.

SURVIVOR OPTION--NORMAL RETIREMENT, EARLY RETIREMENT, SPECIAL EARLY RETIREMENT

At the time of your retirement, you may take a Survivor Option for your spouse, and in the event of your death, a benefit is paid to him or her for the rest of the spouses lifetime, along with company paid insurance. However, if your spouse should remarry, the Survivor Benefit would be paid but the insurance would be cancelled.

Your Survivor Option deduction can be restored if your spouse predeceases you in death or there is a dissolution of marriage. This was explained to you at the time of your retirement, and is covered in the pension booklet.

If you do not elect a Survivor Option at the time of your retirement, it will not be available to you at any other time.

SURVIVOR OPTION--TOTAL & PERMANENT DISABILITY RETIREMENT

If you retire on Total & Permanent Disability Retirement, you have 30 years of credited service or if you are age 55 with less than 30 years of credited service, you can elect a Survivor Option at the time of your retirement.

If you retire on Total & Permanent Disability Retirement and have less than 30 years, you cannot elect a Survivor Option until you reach age 55.

EARNINGS LIMIT

If you are receiving a Supplement to your pension other than a lifetime or Age/Service Supplement, you will be under an earnings limit. This limit will be the same limit as set by Social Security and at the present time it is \$5,400 per year. If the limit is changed by Social Security, we will automatically change our limit. It is advisable to check each year with the pension department or Social Security to see if there has been a change.

DISABILITY SOCIAL SECURITY (EARLY RETIREMENT)

If you retired under Early Retirement with a Regular or Interim Supplement and become totally and permanently disabled and apply for Disability Social Security and it is granted to you, contact a member of your Pension Board or the pension department immediately. An adjustment must be made to your Supplement retroactive to the date of entitlement of Social Security.

UNION DUES

You can sign to have \$1 Union Dues deducted any month if you did not sign the time of your retirement. However, if you wish to stop the deduction, it can only be done at the end of the year to be effective January 1.

MONTHLY PENSION CHECKS

You will receive your pension checks between the first and tenth of the month. You do not receive your check by the eleventh of the month, advise the pension department and a stop-payment order can be placed against the check and replacement check can be issued to you.

If your check is lost or stolen, contact the pension department as we have affidavits for you to sign so a replacement check can be issued to you.

PENSION BOARD

The Pension Board is comprised of three Union members and three Company members and the Pension Board meetings are held the second Tuesday of each month.

Any request for changes regarding your pension must be made no later than the last day of the month preceding the Pension Board meeting.

Do not contact the Trust Company or Borg-Warner Corporation at Chicago, as changes can be made to your pension unless authorized by the Warner Gear Pension Board, other than changes of address.

INSURANCE INFORMATION

LIFE INSURANCE

Life insurance remains the same until age 65, then it is reduced over a three-year period as follows:

10 YEARS TO 20 YEARS		20 YEARS OR MORE	
1st Year	\$4,200	1st Year	\$5,400
2nd Year	3,600	2nd Year	4,800
3rd Year	3,000	3rd Year	4,200

Dependent Life Insurance is available for active employees only. When you retire, this benefit is no longer available to you. However, if you wish to continue this coverage, you can convert the Life Insurance to Ordinary Life Insurance with Equitable, so long as coverage was in effect at the time you retired. See the insurance department if you are interested in converting.

HEALTH INSURANCE

Hospital, medical, surgery, diagnostic, and prescription drug remains the same until age 65 when you will be eligible for Medicare. You will continue to have the group insurance, however, the Medicare payments will be deducted from our normal allowance. Therefore, all claims must be filed with Medicare first. Send all Medicare "Explanation of Medicare Benefits" forms to the insurance department, as Medicare will only notify you of any payment, not Warner Gear. Itemized bills are required also. (Automatic integration with Medicare, eff. 7/1/83).

After retirement you will no longer be eligible for dental coverage.

The entire cost of your insurance is paid by the company.

DEPENDENTS AND BENEFICIARIES

At the time of your application or before you retire, you should verify the number of dependents covered under the Group Health Insurance and make sure the beneficiary designation on your Life Insurance is correct.

PRESCRIPTION DRUGS

If you are planning on moving to another state or are planning on leaving for the winter or are traveling, we can supply you with the names of drug stores in the area you are going to, that are members of PCS. Deductible for retirees will be \$2.00.

HEALTH INSURANCE WITH SURVIVOR OPTION

If a Survivor Option is elected and your spouse becomes eligible to receive a survivor benefit, health insurance is in effect for the rest of the spouse's lifetime as long as he or she does not marry. The Company pays the premium. In the case of remarriage, the health insurance is cancelled.

HEALTH INSURANCE WITHOUT SURVIVOR OPTION

If a survivor option is not elected, your spouse can elect to keep the health insurance but must pay the premium. In the event of remarriage, the insurance is no longer available to him or her.

INSURANCE CLAIMS

If you have an insurance claim, it is not necessary for you to come to the insurance office to file the claim. It can be mailed to the office. If you wish to call the insurance office, the phone number is 286-6456. If you need insurance forms or direct reimbursement forms for drugs, if you call, we will mail them to you.

Please Note—Office hours for the insurance and pension department are:

Open on Mondays and Fridays, 7:30 a.m. to 4:30 p.m.
Closed Tuesday, Wednesday and Thursday.
Closed for lunch, 11:45 - 12:45, Monday and Friday.

Warner Gear

RETIREMENT

(GENERAL SUMMARY OF OFTEN ASKED
OR EMPHASIZED ITEMS COVERED WITH
EMPLOYEES UPON APPLICATION FOR
RETIREMENT

DTP004374

Covering employees in the bargaining Unit represented
by the International Union, United Automobile,
Aerospace and Agricultural Implement Workers
of America (UAW) and its Local 287

Warner Gear

Division of Borg-Warner Corporation

FEB 13 09 11:44 BORG WARNER MUNCIE

HEALTH CARE COMPARISONS

INSURANCE FEATURES	HRLY ACTIVE EMPLOYEES CURRENT	SALARIED ACTIVE		HRLY RETIREES CURRENT	SALARIED RETIREES	
		OPTIONAL	CORE		OPTIONAL	CORE
STOP-LOSS	\$600 INDIV/1200 FAMILY	\$1000/2000	\$1370/2740	{ <65=\$300/600 { >65=\$175/350	\$1000/2000	\$1370/2740
DEDUCTIBLE	\$125 PER PERSON	\$200/400	\$350/700	\$125 PER PERSON	\$200/400	\$350/700
IN-PATIENT HOSPITAL	80% OF U&C	80% OF U&C	80%	90%	80%	80%
OUT-PATIENT SURG/LAB/X-RAY	100% OF U&C	100%	80%	100%	100%	80%
MISCELLANEOUS (MAJOR MEDICAL)*	80% OF U&C	80%	80%	80%	80%	80%
PRESCRIPTIONS	\$4/2/2 MAIL ORDER	\$5 GENERIC/\$5+30%/\$2		{ PAST=3/2/2 { FUT.=4/2/2	\$5 GENERIC/\$5 +30%/2	
MANAGED CARE	NO	YES/<65	YES/<65	NO	YES/<65	YES/<65
REQUIRED CONTR. (BASIC HLTH.)	NO	YES	NO	NO	YES	NO
SUPPLEMENTAL DENTAL/VISION (HRLY +HEARING)	YES	OPTIONAL	OPTIONAL	VISION ONLY	NO	NO
SUPPLEMENTAL CONTR. NO		YES	YES	NO	N/A	N/A

* AFTER DEDUCTIBLE IS SATISFIED

1/14/89 ran

DTP004375